SMED Bill

†1033. SHRI P.K. MAHESHWARI: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) what is the new definition of small industries in proposed Small and Medium Enterprises Development Bill for the development of small and medium industries;

(b) whether any concrete steps have been taken up for fully safeguarding the interests of small and marginal undertakings; and

(c) if so, the details thereof?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHABIR PRASAD): (a) In the Small and Medium Enterprises Development (SMED) Bill, 2005 introduced in the Lok Sabha on 12th May 2005, a small enterprise is defined, in case of manufacturing enterprises, as an enterprise with investment in plant and machinery not exceeding 5 crore rupees and, in case of enterprises engaged in providing of services, as an enterprise with investment in equipment not exceeding 2 crore rupees.

(b) and (c) The SMED Bill, 2005 seeks to provide a legal framework for the promotion and development of small and medium enterprises and for enhancing their competitiveness. It has several provisions towards achieving their objectives, such as those relating to -

(i) schemes and programmes for promotion and development of small enterprises (clause 9);

(ii) credit facilities to small and medium enterprises (clause 10);

(iii) procurement preference policy to facilitate marketing of products manufactured by small enterprises (clause 11);

(iv) without in any way compromising the security, safety and welfare of workers, reducing the rigor of Inspector Raj through simplified inspection procedure under certain labour laws (clause 15);

(v) maintenance of simplified records and filing of simplified returns (clause 16); and

(vi) preventing delayed payments (chapter VI).

The provisions (of this Bill) applicable to small enterprises also apply to tiny (or micro) enterprises.

---

†Original notice of question was received in Hindi.